

BEFORE THE DEPARTMENT OF PUBLIC
HEALTH AND HUMAN SERVICES OF THE
STATE OF MONTANA

In the matter of the amendment of ARM)	NOTICE OF PUBLIC HEARING
37.86.805, 37.86.1004, 37.86.1506,)	ON PROPOSED AMENDMENT
37.86.2405, 37.86.2505, and)	
37.86.2605 pertaining to hearing aid)	
services, dental, home infusion)	
therapy, durable medical equipment,)	
and ambulance services)	

TO: All Interested Persons

1. On May 15, 2008, at 11:00 a.m., the Department of Public Health and Human Services will hold a public hearing in the Wilderness Room, 2401 Colonial Drive, Helena, Montana, to consider the proposed amendment of the above-stated rules.

2. The Department of Public Health and Human Services will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process (including reasonable accommodations at the hearing site) or who need an alternative accessible format of this notice. If you need an accommodation, contact the department no later than 5:00 p.m. on May 5, 2008. Please contact Rhonda Lesofski, Office of Legal Affairs, Department of Public Health and Human Services, P.O. Box 4210, Helena MT 59604-4210; telephone (406)444-4094; fax (406)444-1970; e-mail dphhslegal@mt.gov.

3. The rules as proposed to be amended provide as follows. New matter is underlined. Matter to be deleted is interlined.

37.86.805 HEARING AID SERVICES, REIMBURSEMENT (1) The department will pay the lower of the following for covered hearing aid services and items:

(a) remains the same.

(b) the amount specified for the particular service or item in the department's fee schedule. The department adopts and incorporates by reference the department's fee schedule dated ~~October 2007~~ July 2008. A copy of the department's fee schedule is posted at <http://medicaidprovider.hhs.mt.gov>. A copy of the department's fee schedule may be obtained from the Department of Public Health and Human Services, Health Resources Division, 1400 Broadway, P.O. Box 202951, Helena, MT 59620-2951.

(2) remains the same.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-6-101, 53-6-113, 53-6-141, MCA

37.86.1004 REIMBURSEMENT METHODOLOGY FOR SOURCE BASED RELATIVE VALUE FOR DENTISTS (1) For procedures listed in the relative values for dentists scale, reimbursement rates shall be determined using the following methodology:

(a) remains the same.

(b) The conversion factor used to determine the Medicaid payment amount for services provided to eligible individuals is ~~\$30.85~~ \$31.27.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-6-101, MCA

37.86.1506 HOME INFUSION THERAPY SERVICES, REIMBURSEMENT

(1) Subject to the requirements of these rules, the Montana Medicaid program will pay for home infusion therapy services on a fee basis, as specified in the department's home infusion therapy services fee schedule. The department adopts and incorporates by reference the Home Infusion Therapy Services Fee Schedule dated ~~October 2007~~ July 2008. A copy of the department's fee schedule is posted at the Montana Medicaid provider web site at <http://medicaidprovider.hhs.mt.gov>. A copy of the Home Infusion Therapy Services Fee Schedule may also be obtained from the Department of Public Health and Human Services, Health Resources Division, 1400 Broadway, P.O. Box 202951, Helena, MT 59620-2951. The specified fees are on a per day or a per dose basis as specified in the fee schedule. The fees are bundled fees which cover all home infusion therapy services as defined in ARM 37.86.1501.

(2) through (4)(c) remain the same.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-6-101, 53-6-113, MCA

37.86.2405 TRANSPORTATION AND PER DIEM, REIMBURSEMENT

(1) through (1)(b) remain the same.

(2) The department adopts and incorporates by reference the department's Personal Transportation Fee Schedule effective ~~November 2006~~ July 2008 which sets forth the reimbursement rates for transportation, per diem, and other Medicaid services. A copy of the department's fee schedule is posted at the Montana Medicaid provider web site at <http://medicaidprovider.hhs.mt.gov>. A copy of the fee schedule may also be obtained from the Department of Public Health and Human Services, Health Resources Division, 1400 Broadway, P.O. Box 202951, Helena, MT 59620-2951.

(3) and (4) remain the same.

(5) Mileage for transportation in a personally owned vehicle is reimbursed at the rate of ~~\$0.22 per mile~~ provided in the department's personal transportation fee schedule.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-6-101, 53-6-113, 53-6-141, MCA

37.86.2505 SPECIALIZED NONEMERGENCY MEDICAL TRANSPORTATION, REIMBURSEMENT (1) through (1)(b) remain the same.

(2) The department adopts and incorporates by reference the department's fee schedule dated ~~November 2006~~ July 2008 which sets forth the reimbursement rates for specialized nonemergency medical transportation services and other Medicaid services. A copy of the fee schedule is posted at the Montana Medicaid provider web site at <http://medicaidprovider.hhs.mt.gov>. A copy of the department's fee schedule may be obtained from the Department of Public Health and Human Services, Health Resources Division, 1400 Broadway, P.O. Box 202951, Helena, MT 59620-2951.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-6-101, 53-6-113, 53-6-141, MCA

37.86.2605 AMBULANCE SERVICES, REIMBURSEMENT (1) through (1)(b) remain the same.

(2) The department adopts and incorporates by reference the department's Ambulance Fee Schedule effective ~~October 2007~~ July 2008. A copy of the fee schedule is posted at the Montana Medicaid provider web site at <http://medicaidprovider.hhs.mt.gov>. A copy of the department's fee schedule may be obtained from the Department of Public Health and Human Services, Health Resources Division, 1400 Broadway, P.O. Box 202951, Helena, MT 59620-2951.

(3) through (4) remain the same.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-6-101, 53-6-113, 53-6-141, MCA

4. The proposed amendments are necessary to implement Medicaid reimbursement rate increases mandated in appropriations made by the 2007 Montana Legislature. The proposed rates would be 1.67% more than currently paid for hearing aid, dentist, home infusion therapy, transportation, and ambulance services.

The exception is the dental fee schedule, ARM 37.86.1004. The department added a policy adjuster to propose a lower rate increase due to several factors. Effective October 2007, a significant provider rate increase was implemented. The utilization data is not accurate at this time due to high claims inventory at the department's fiscal intermediary. This makes it difficult to estimate current expenditures for dental services. Based on provider feedback the department has determined dental code D1206 (therapeutic application of fluoride varnish) was previously set at an erroneous level. The department proposes to set the fee at a calculated rate of 85% of the average usual and customary fee billed to the department in state fiscal year 2007. The department proposes the rate to change from \$80.21 to \$28.16 for procedure code D1206.

Based on the rising cost of fuel, the department has raised the reimbursement rate of all mileage codes in the transportation program to include ARM 37.86.2405,

37.86.2505, and 37.86.2506. The rate increase is commensurate with the percentage of cost increase for each type of fuel based on a \$0.03 increase in the mileage rate for each 20% increase in fuel cost over the preceding 12 months.

The department did not consider alternatives to the proposed amendments because the funding appropriated in the General Appropriations Act of 2007, 2007 Laws of Montana, Chapter 5, commonly referred to as "HB2" is restricted to Medicaid provider rate increases.

Estimated financial and budget effects:

<u>SFY 2009</u>	<u>Program</u>	<u>Fed</u>	<u>State</u>	<u>Total</u>
37.86.805	Hearing Aid Services	\$5,943	\$2,776	\$8,719
37.86.1004	Dental Program	\$282,293	\$131,854	\$414,147
37.86.1506	Home Infusion Therapy	\$13,007	\$6,076	\$19,083
37.86.2405	Transportation and Per Diem	\$61,556	\$28,914	\$90,470
37.86.2505	Specialized Nonemergency Transportation	\$750	\$352	\$1,102
37.86.2605	Ambulance	\$49,259	\$23,008	\$72,267

Number of persons affected:

The proposed rule changes could affect an estimated 137,627 Medicaid recipients and the following number of providers listed by program:

<u>SFY 2009</u>	<u>Program</u>	<u>Total</u>
37.86.805	Hearing Aid Services	30
37.86.1004	Dental Program	352 dental providers 22 denturist providers
37.86.1506	Home Infusion Therapy	17
37.86.2405	Transportation and Per Diem	10
37.86.2505	Specialized Nonemergency Transportation	28
37.86.2605	Ambulance	146

5. Interested persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to Rhonda Lesofski, Office of Legal Affairs, Department of Public Health and Human Services, P.O. Box 4210, Helena MT 59604-4210, no later than 5:00 p.m. on May 22, 2008. Comments may also be faxed to (406)444-1970 or e-mailed to dphhslegal@mt.gov. The department maintains lists of persons interested in receiving notice of administrative rule changes. These lists are compiled according to subjects or programs of interest. To be included on such a list, please notify this same person or complete a request form at the hearing.

6. An electronic copy of this proposal notice is available through the

Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of this notice conform to the official version of the notice as printed in the Montana Administrative Register, but advises all concerned persons that, in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. The web site may be unavailable at times, due to system maintenance or technical problems.

7. The bill sponsor notice requirements of 2-4-302, MCA, do not apply.

8. The Office of Legal Affairs, Department of Public Health and Human Services, has been designated to preside over and conduct the hearing.

/s/ John Koch
Rule Reviewer

/s/ John Chappuis for
Director, Public Health and
Human Services

Certified to the Secretary of State April 14, 2008.